

**LEGISLATIVE SERVICES AGENCY
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FISCAL IMPACT STATEMENT

LS 6684

BILL NUMBER: SB 158

NOTE PREPARED: Dec 27, 2009

BILL AMENDED:

SUBJECT: Restriction of Employer Use of Consumer Reports.

FIRST AUTHOR: Sen. Taylor

FIRST SPONSOR:

BILL STATUS: As Introduced

FUNDS AFFECTED: X **GENERAL**
DEDICATED
FEDERAL

IMPACT: State & Local

Summary of Legislation: The bill prohibits an employer from using a consumer report for employment purposes unless certain conditions apply.

It allows a consumer to bring a civil action against an employer for a violation of this provision. The bill makes it a Class B infraction for a knowing or intentional violation of this provision.

Effective Date: July 1, 2010.

Explanation of State Expenditures:

Explanation of State Revenues: There are no data available to indicate how many employers would knowingly and intentionally check the consumer report of a prospective employee if the information in the consumer report is not substantially job-related or if the employee is not applying for one of the specified positions, a Class B infraction. Subsequent, unrelated convictions or judgements would result in a Class A infraction.

Additionally, there are no data to indicate how many consumers may bring a civil action for a violation concerning a prospective employer's use of a consumer report.

Infractions: If additional court cases occur and infraction judgments and court fees are collected, revenue to the state General Fund may increase. The maximum judgment for a Class B infraction is \$1,000 and for a Class A infraction is \$10,000, which is deposited in the state General Fund.

If court actions are filed and a judgment is entered, a court fee of \$70 would be assessed, 70% of which would be deposited in the state General Fund if the case is filed in a court of record or 55% if the case is filed in a city or town court.

Civil Actions: If additional civil actions occur and court fees are collected, revenue to the state General Fund may increase. A civil costs fee of \$100 would be assessed when a civil case is filed, 70% of which would be deposited in the state General Fund if the case is filed in a court of record or 55% if the case is filed in a city or town court.

In addition, for both infractions cases and civil actions, some or all of the document storage fee (\$2), automated record keeping fee (\$7), judicial salaries fee (\$18), public defense administration fee (\$3), court administration fee (\$5), and the judicial insurance adjustment fee (\$1) are deposited into the state General Fund. Additional fees may be collected at the discretion of the judge and depending upon the particular type of case.

Explanation of Local Expenditures:

Explanation of Local Revenues: *Infractions:* If additional court actions are filed and a judgment is entered, local governments would receive revenue from the following sources. The county general fund would receive 27% of the \$70 court fee that is assessed in a court of record.

Civil Actions: If additional civil actions occur, local governments would receive revenue from the following sources. The county general fund would receive 27% of the \$100 civil costs fee that is assessed in a court of record.

For both infractions cases and civil actions, cities and towns maintaining a law enforcement agency that prosecutes at least 50% of its ordinance violations in a court of record may receive 3% of court fees. If the case is filed in a city or town court, 20% of the court fee would be deposited in the county general fund and 25% would be deposited in the city or town general fund. Additional fees may be collected at the discretion of the judge and depending upon the particular type of case.

State Agencies Affected:

Local Agencies Affected: Trial courts, local law enforcement agencies.

Information Sources:

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